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Tanzania: Nyerere Under Fire



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An Intelligence Assessment

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*ALA 84-10109
November 1984*

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Tanzania: Nyerere Under Fire [Redacted]

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An Intelligence Assessment

This paper was prepared by [Redacted] Office
of African and Latin American Analysis. It was
coordinated with the Directorate of Operations. [Redacted]

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Comments and queries are welcome and may be
directed to the Chief, Africa Division, ALA, on [Redacted]
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**Tanzania:
Nyerere Under Fire**

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Key Judgments

*Information available
as of 1 November 1984
was used in this report.*

Tanzanian President Nyerere, an influential force in African politics for over 20 years, is facing the strongest challenge to his authority since an army mutiny in 1964 forced him to call for British troops. Nyerere is under increased pressure from moderates in the ruling Revolutionary Party, government, and military to undertake economic and political reforms that diverge from the socialist blueprint he has held to all his life. Although we believe Nyerere's leadership abilities, personal appeal, and the lack of an organized opposition probably will allow him to maintain control through 1985, his prospects thereafter are less certain.

In the next several months, Nyerere faces not only the continuing issues of political and economic reform but also a critical personal decision on whether to stand for reelection at the end of his term in October 1985 or to relinquish the presidency and rule from his position as chairman of the only political party. Although the latter has been his stated preference up to now, we believe he will conclude he can be most influential by staying on as President. He faces mounting challenges from factions within the party that would make it precarious for him to try to run Tanzania solely from the position of party chairman. Moreover, the lack of successors of unquestioned loyalty to Nyerere and who are acceptable to all factions in the party and military increases pressure on Nyerere to remain.

The need for effective control has been underscored by growing ideological divisions among government and party leaders over how to solve the country's economic woes. These differences, in our judgment, have spurred the challenges to Nyerere's authority and political philosophy. President Nyerere, in an attempt to improve Tanzania's dismal economy and quiet criticism from aid donors, his own advisers, and moderates in the party leadership, agreed recently to several pragmatic economic reforms, including a devaluation and the elimination of subsidies on some consumer goods. We believe, however, that Nyerere remains committed to his socialist ideals and sees the reforms more as temporary adjustment to his socialist blueprint than a reversal. If this view is correct, Nyerere may agree to some further cosmetic reforms but is unlikely to agree to the significant changes necessary for an IMF standby program because of his ideological rigidity and fear that the resulting austerity program would cause urban unrest. Moreover, entrenched party officials whose vested interests are served through the maintenance of the present system are likely to impede even nominal reform, resulting in only limited and piecemeal implementation at the local level.

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In addition to the dismal economy and the rift between party ideologues and moderates, the regime has to contend with potentially explosive tensions between the mainland and semiautonomous Zanzibar. Although the mainland government strengthened control over Zanzibar in early 1984 by purging the local government and handpicking its new leaders, the relationship will continue to be tense because of Zanzibar's longstanding desire for greater political and economic autonomy. Should anti-Union sentiment revive in Zanzibar, we believe that Dar es Salaam will not hesitate to further purge the island government or, if necessary, again use mainland troops as it did in late 1983 when calls for secession reached an unprecedented high.

In our view, despite Tanzania's political and economic problems, Nyerere will continue to make an impact on the international scene. Although Nyerere's prestige and influence has waned somewhat in recent years, he still is president of the Frontline States and a leading candidate to become chairman of the OAU at the summit scheduled for November 1984. In these visible positions he will continue to be an outspoken critic of negotiations with South Africa and the linkage of Namibian independence to Cuban troop withdrawal from Angola. In addition, we believe he will continue to provide military bases for the African National Congress, the principal South African dissident group, and will encourage other African states to do the same.

Tanzania, in our judgment, will seek to maintain correct, although not particularly close, ties to the United States. Relations could deteriorate, however, if Nyerere's recent attempts to make the United States a scapegoat for Tanzania's and the region's ills intensify. Despite Tanzania's domestic problems and cool relations with the United States, we believe the Soviets will find it hard to increase their influence in Dar es Salaam. The Soviets have recently refused Tanzanian requests for advanced weapon systems and do not appear willing to expend the military or economic resources necessary to significantly increase their presence. Moreover it is unlikely, given Nyerere's distrust of Soviet motives in Africa, that increased Soviet aid would translate easily into greater Soviet influence over Tanzanian policies.

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Tanzania's strategic significance could, of course, be altered in the event of Nyerere's death or a military takeover. Judging from the composition of Tanzania's current elite, a new government, whether civilian or military, would be unlikely to abandon nonalignment or Nyerere's current position on regional issues. A new regime probably would gradually dismantle some of Tanzania's socialist institutions and turn to the West for increased economic assistance. If a coup was staged successfully by junior-level officers—a group that is more susceptible to plotting than the senior corps—the potential for unexpected policy shifts would be greatly enhanced. Under these conditions Nyerere's ouster is likely to have an even greater unsettling effect in the region and usher in a period of political instability in Tanzania that Moscow certainly would not ignore.



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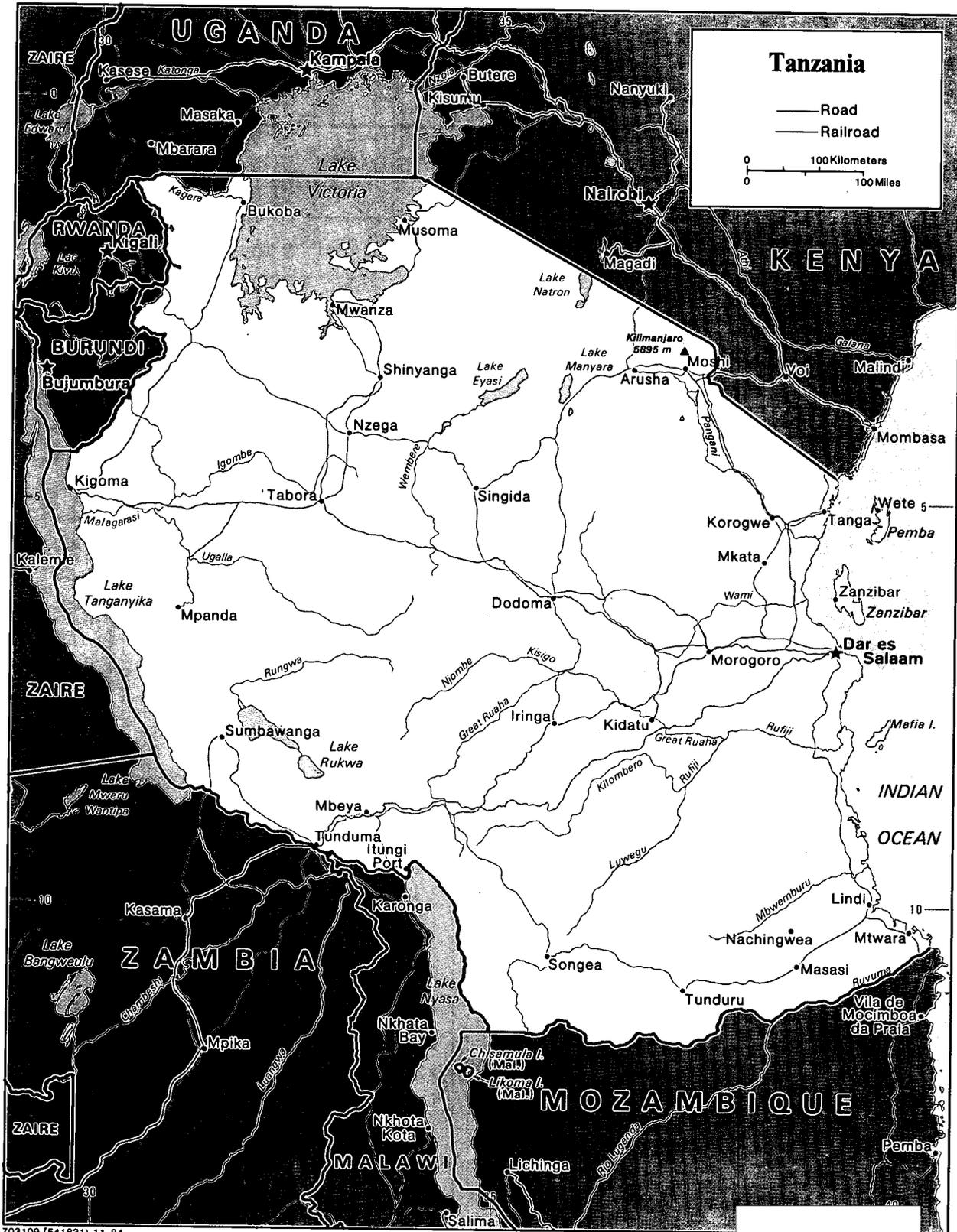
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**Tanzania:
Nyerere Under Fire** [Redacted]

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Introduction

As the 1985 presidential elections approach, Nyerere confronts some of the most difficult problems of his 23-year reign as President.

- He has to make a critical decision on whether to step down from the presidency and try to run the country from his position as party chairman.
- Worsening economic problems are calling into question his longstanding socialist economic development strategy.
- The military's political influence has increased, and there is growing unrest in the junior ranks.
- Moderates in the party and government are increasingly challenging Nyerere's authority on economic and political issues.
- The semiautonomous island of Zanzibar has never accepted the mainland's dominion, and separatist pressures are endemic. [Redacted]

This paper examines Nyerere's likely responses to these pressures, which will shape economic and political developments in Tanzania for the remainder of the decade. It also discusses the implications of Nyerere's continuation in power—which we consider likely—as well as the potential impact of his removal. [Redacted]

Uncertain Succession

Although Nyerere has stated, both publicly and privately, that he plans to relinquish the presidency when his current term expires in October 1985 and run the country from his post as party chief, pressures are mounting that may lead Nyerere to stay on as President. In our judgment, Nyerere has always had ambivalent feelings about giving up the presidency, and the recent death of Prime Minister Sokoine—once Nyerere's most likely successor—and mounting domestic problems probably have forced him to reconsider his decision to step down. Although Nyerere has said he would like to be freed from the day-to-day administration of the government, we believe that the President's ideological commitments and strong desire

to leave a political legacy make it difficult for him to leave. This is particularly true at a time when his socialist policies and concept of party supremacy are under attack.¹ [Redacted]

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Despite Nyerere's successful efforts over the past two years to increase the power of the party vis-a-vis the government—exemplified by the results of the party congress in 1982 and the new draft Tanzanian Constitution—we believe that Nyerere would have serious difficulties in protecting his socialist agenda from only his position as party chairman. [Redacted]

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[Redacted] growing ideological divisions in the ruling party and indications that Nyerere has lost some of his formerly unchallenged authority. These developments have increased significantly the prospects that a presidential successor, with the support of the pragmatists in the government, would advocate policies that would bring them into conflict with Nyerere. [Redacted]

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Should Nyerere step down from the presidency, we are uncertain who he would appoint as his successor. Although Vice President Mwinyi and Prime Minister Salim are both well positioned to be his successor, Nyerere, in our view, is not grooming either one at this time, suggesting he doubts their loyalty. Moreover, Salim and Mwinyi are both Zanzibaris who lack a political base on the mainland, and we would expect substantial opposition from within the party to either one's nomination. [Redacted]

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¹ Nyerere's concept of party supremacy holds that the Revolutionary Party—Tanzania's only political party—is solely responsible for Tanzania's development, and therefore the party has authority over the government and over all aspects of Tanzanian society. [Redacted]

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Nyerere: The Man and His Philosophy

Julius K. Nyerere, 62 years old and Tanzania's President since independence in 1961, dominates the country's politics. Nyerere has held to his model for the country's development with remarkable perseverance since he first presented it in 1967. Collectivized agriculture along with state ownership of industry and services were then his stated goals, along with the ujamaa village—a socialist adaptation of the ideal African village where people share property and work together for the common good. [redacted]



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US Embassy officials report that Nyerere's commitment to these ideals is firm, a judgment in which we concur despite Nyerere's occasional pragmatism on some economic matters. We believe Nyerere's ideological rigidity stems partially from a strong belief in the superiority of his own intellect, a reflection of the prominent role that his academic and oratorical skills played in his rise from a rural background to the University of Edinburgh, to the leadership of the preindependence nationalist movement, and finally the Tanzanian presidency. Since Nyerere's intellectual prowess has few challengers in Tanzania, he remains locked into the ideas of his youth and attributes the failures of his programs to external forces—such as foreign interference or world market conditions. Although he acknowledges that the process of building socialism has taken longer than he initially envisioned, Nyerere adamantly maintains that his policies are not responsible for Tanzania's economic deterioration. [redacted]

[redacted] senior government officials often refrain from speaking out on sensitive issues because of Nyerere's readiness to reprimand, dismiss, and even jail critics. When confronted with intractable problems—such as mounting economic woes or the period of high tension with Zanzibar in 1983—[redacted] Nyerere often defers action indefinitely, preferring to appear indecisive rather than change his course of action. [redacted]

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Nyerere's strongly held ideological convictions have led him to adopt an authoritarian leadership style. Known throughout the country as Mwalimu, or teacher, the US Embassy reports that he usually relies on persuasion, although he has not hesitated to use force when oratory has failed. [redacted]

On the basis of his past behavior, we believe that Nyerere considers himself a man with a mission to create a new society in Tanzania. We believe that Nyerere now recognizes that ujamaa will not be created in his lifetime and is instead concentrating on building a party organization powerful enough to dominate government and society in general, and dedicated to perpetuating his ideals. [redacted]

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The lack of successors acceptable to all factions within the party and military has also increased pressure on Nyerere to remain. In addition, the press and Embassy have reported that several special interest groups and leaders—including the party's youth organization, the Musoma Group, Mozambique President Machel, and Tanzanian Vice President Mwinyi—have called for Nyerere's reelection.² Moreover, mainlanders, seeking an alternative to the two Zanzibari front-runners, may urge Nyerere to stay simply to buy enough time to find a more acceptable candidate. In our view, it is possible that Nyerere has orchestrated these demands to gauge the level of his support. A key indication of Nyerere's plans will be whom he backs to replace former Prime Minister Sokoine as head of the party's Defense and Security Commission. In our view, Nyerere's decision to exclude elections for this post from the recent National Executive Committee meeting suggests that Nyerere is undecided on a successor or is uncertain of the party's support for his choice.³

Tanzania's Faltering Economy

Deep Economic Woes

Beyond the question of succession, the other pressures on Nyerere, such as the faltering economy, are less tractable. By almost any measure, the Tanzanian economy is worse off today than at any time since independence in 1961.

Tanzania's foreign exchange reserves are depleted, and all lines of credit from foreign banks have been used up. On the basis of IMF reports and academic studies, we estimate that approximately two-thirds of Tanzania's economic activity now occurs through the black market and illegal border trade, thus depriving the government of revenue and foreign exchange. Dar es Salaam is in default on payments to all of its major oil suppliers and cannot pay for essential imports for agriculture and manufacturing.

² The Musoma Group is an unofficial grouping of high-level officials who depend on Nyerere for their influence. the Musoma Group—which includes Presidential Secretary Butiku, Cabinet Secretary Apiyo, and Commander of the Defense Forces Musuguri—has banded together to promote Nyerere's reelection.

³ The Revolutionary Party has a 17-member Central Committee, but the 140-member National Executive Committee is, in theory, the principal decisionmaking body.

Moreover, we calculate that debt service on the country's \$2.5 billion debt now represents over two-thirds the value of exports, and, Tanzania had fallen about \$440 million behind on its debt payments by the end of 1983, and arrears have been rising throughout 1984. As a result of Tanzania's inability to pay its debts, the IMF and World Bank have both halted negotiations for loans, commercial lenders have cut off funds, and the United States has suspended disbursements of US military and economic assistance.

Agricultural output has declined sharply over the past three years. The largest impact is on the standard of living of small farmers, who account for over 80 percent of the country's population and almost all of its agricultural output. Falling production has led to a decline in export earnings as crop exports, which account for over 75 percent of Tanzania's foreign exchange and over 50 percent of GDP, declined from a high of \$350 million in 1981 to \$245 million in 1983. The limited data for 1984 suggest this trend is continuing.

Domestic food production also has declined, and,

drought may soon cause a widespread famine in some rural areas. Food imports rose in fiscal year 1983/84 (June to May), and we expect them to continue to rise in fiscal year 1984/85 as the government is forced to spend scarce foreign exchange in the commercial markets to feed its urban population.⁴ To the extent this occurs, even fewer funds will be available for critical oil purchases. Over 60 percent of the country's export earnings in 1983, for example, were used for petroleum purchases; Tanzania has often been forced to use funds earmarked for food, medicine, and other essentials to buy emergency supplies of oil on the spot market.

⁴ The IMF estimates, probably correctly, that about 75 percent of Tanzania's marketable food production is sold through private channels. Moreover, the inability of the state marketing agencies to buy and distribute food because of the low prices paid to farmers, mismanagement, corruption, and transportation bottlenecks, has led to growing food shortages in the cities, smuggling of crops to neighboring countries, and a thriving black market.

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Salim Ahmed Salim
Prime Minister

Became Prime Minister in April 1984 following the death of Edward Sokoine . . . is a Zanzibari of Arab origin chosen by Nyerere for his loyalty, competence, and consensus-building ability . . . because he has spent career in the international arena, he has no political base or detailed knowledge of domestic affairs . . . probably will spend next year gaining experience on domestic issues and building a political base, particularly in the military . . . as he develops some economic expertise and gains a political base, likely to propose reforms that will conflict with hardline socialists . . . we believe Nyerere's decision not to appoint Salim to Sokoine's former position as head of the party's Defense and Security Commission indicates doubts about grooming Salim as his successor . . . Salim, however, does not appear to be actively seeking the Presidency and may prefer that Nyerere continue as President until he can garner a strong political base. [redacted]



Ali Hassan Mwinyi
Vice President of Tanzania
President of Zanzibar

Nyerere probably chose Mwinyi for his loyalty and administrative abilities rather than potential leadership abilities . . . but we believe growing evidence that Nyerere may have problems running the country from his position as party chairman has led Nyerere to consider Mwinyi as a potential successor . . . Mwinyi probably would be easier for Nyerere to control and less likely to initiate reforms when compared with the more independent Salim or another candidate that has a political base . . . although Mwinyi appears to be building political support on Zanzibar, he has made little effort to build support among mainland or military leaders, and we believe he has no ambitions for higher office . . . US Embassy reports that Mwinyi's recent election to the vice chairman position was not without some behind-the-scenes opposition . . . opposition could build should Nyerere begin to groom him as his successor. [redacted]

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Table 1
Tanzania: Key Economic Indicators

	1979	1980	1981	1982	1983	1984 ^a
Real GDP growth rate (percent)	5.5	3.6	-3.6	-3.6	-1.2	-1.5
Rate of inflation (percent)	13.8	30.2	25.0	35.0	40.0	45.0
Exports (million US \$)	498.0	511.0	580.0	447.0	340.0	340.0
Imports (million US \$)	1,104.0	1,252.0	1,213.0	1,137.0	860.0	750.0
Debt service ratio (percent)	8.6	15.4	16.9	38.0	50.0	70.0

^a Projected.

The country's economic problems have been long in the making. They largely reflect Tanzania's limited resources, poor government management, and socialist inflexibility, but also external factors beyond the government's control. The dramatic increase in oil prices in 1974 and 1979, the breakup of the East African Community, the costly war in Uganda, drought, and low world prices for Tanzania's agricultural products are among the contributing causes of Tanzania's economic crisis.⁵ [redacted]

Nyerere's adherence to his socialist policies, however, has, in our view, exacerbated the effects of external factors, particularly in the agriculture sector. For example, moving small farmers into communal villages, sometimes forcibly; replacing regional cooperatives with inefficient state enterprises; decentralizing administration; and emphasizing industry in the development budgets of the late 1970s all contributed to the decline in agricultural production. Government campaigns, such as that in early 1983, to rout out black-marketeters, hoarders, and smugglers further damaged the economy by scaring away those traditional middlemen who supply scarce agricultural inputs, consumer goods, and other services that augment the inadequate government system. [redacted]

⁵ The East African Community was formed in 1967 by Tanzania, Uganda, and Kenya. Its main features were a customs union, regional transportation and communication corporations, and cooperative research institutes. Growing friction among the three partners resulted in the demise of the organization in 1977. [redacted]

Attempts To Stem Decline

Dar es Salaam in the past year has implemented a number of reforms designed to restore economic performance. The most significant reforms were publicly announced in June 1984 and included a 38-percent devaluation of the shilling; elimination of the consumer subsidies on corn flour, fertilizer, and pesticides; and higher producer prices for export and food crops. Wage increases for government and state enterprise employees also were enacted to cushion the effect of the reforms on urban consumers. The US Embassy reports that, despite some grumbling from urban consumers and Tanzania's token labor union, there appeared to be general agreement among the populace that the economic situation required drastic action. Although it falls short of IMF conditions for a standby agreement, Dar es Salaam hopes that the reforms will increase agricultural exports and reduce government expenditures. [redacted]

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Tanzania
Major Economic Activity

AGRICULTURE	MANUFACTURING	MINERALS
Cashews	Cement plant	C Coalfield
Cattle	Fertilizer plant	D Diamond mine
Cloves	Meat packing	Au Gold mine
Coffee	Oil pipeline	Fe Iron deposit
Cotton	Oil refinery	Ph Phosphate deposit
Pyrethrum	Power plant	Na Salt
Sisal	Rail shops and yards	Sn Tin
Tea	Steel rolling plant	
Tobacco	Sugar refinery	
Major cattle scheme outside of main cattle areas	Textiles	
	Tires	

Note: The US Embassy reports that industrial output has declined some 40 percent since 1980, capacity is only 20 to 30 percent with many plants operating intermittently. Curtailed capacity is due to inability to import raw material and spare parts.

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Other policies have been aimed directly at improving the efficiency of the agricultural sector. Public spending in this sector now accounts for nearly 30 percent of the development budget, including hikes in prices paid to the farmers and greater investment in industries vital to agriculture, such as transportation, fertilizer production, and extension services. Moreover, according to Embassy reporting, food distribution is gradually being taken away from the state enterprises and turned over to newly established cooperatives at the village, regional, and national level. The US Embassy also reports that Nyerere has encouraged increased foreign investment in the private agricultural sector, despite protests by some hardline socialists.

[redacted] the new initiative has generated little interest from foreign firms because of investor skepticism about the government's long-term commitment to private-sector investment. [redacted]

In our view, the recent reforms, although unlikely to reverse the economic decline, suggest that pragmatists in the government have, for now, gained influence at the expense of the socialist ideologues who have formulated economic policy since independence. Entrenched district and regional party officials, however, whose vested interests are served through the maintenance of the present system, are likely to impede implementation of these and future reforms—particularly those that affect the state enterprise system—resulting in only limited and piecemeal changes at the local level. In addition, we believe that Nyerere remains a committed socialist who has grudgingly agreed to the reforms only because he believed them to be a temporary adjustment needed to obtain critical foreign exchange from the international financial system. If this view is correct, Nyerere may agree to some further cosmetic reforms but is unlikely to dismantle the party and state enterprise system that is the foundation of his socialist blueprint [redacted]

Nevertheless, the reforms have temporarily quieted criticism among many Tanzanians that the government has done nothing to address the country's economic problems. Moreover, the reforms may reassure many aid donors, such as the Nordic countries that have been key donors in the past, that Tanzania is willing to make practical reforms and therefore warrants continued assistance even with no IMF

Leading Pragmatists and Ideologues

Pragmatists

<i>Cleopa Msuya</i>	<i>Minister for Finance</i>	
<i>Fulgence Kazaura</i>	<i>Principal Secretary for Finance</i>	
<i>Simon Mblinyi</i>	<i>Principal Secretary for Agriculture</i>	
<i>Amon Nsekela</i>	<i>Chairman, National Bank of Commerce</i>	
<i>Paul Bomani</i>	<i>Minister for Lands, Resources, and Tourism</i>	
<i>George Mbowe</i>	<i>Chairman, Development Finance Corporation</i>	25X1

Ideologues

<i>Kighoma Malima</i>	<i>Minister for Economic Affairs</i>	25X1
<i>Joan Wicken</i>	<i>Presidential Assistant</i>	
<i>Charles Nyirabu</i>	<i>Governor, Bank of Tanzania</i>	
<i>Rashidi Kawawa</i>	<i>Secretary General, Minister Without Portfolio</i>	
<i>Kingunge Mgonbale Mwiru</i>	<i>Minister of State, Prime Minister's Office</i>	

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agreement. Finally, the reforms have reduced the wide gap between Tanzania's economic policies and IMF conditions for a standby program and has thereby set the stage for a resumption of formal negotiations. Nyerere and the IMF, however, disagree substantially on the reforms still needed for an IMF standby program, and we are not optimistic that an agreement will be reached. [redacted]

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Pressures for Further Reform**The IMF**

IMF conditions for a standby agreement include another large currency devaluation, the dismantling or reorganization of many state enterprises, strict ceilings on government borrowing and spending, and higher producer prices for crops. Many of Nyerere's advisers appear to agree in principle with these IMF guidelines but disagree strongly on the scope and timing of the reforms. Nyerere, however, disagrees fundamentally with some of the IMF conditions, particularly those that tend to increase the role of the private sector, and believes that some—particularly a 40- to 50-percent devaluation—would pose unacceptable political risks. [redacted]

An IMF standby program was canceled after only three months in 1980 because of Tanzania's failure to meet performance targets, and, in our view, the IMF is unlikely to reduce the stringency of its guidelines nor the demand that many of the reforms be implemented before any funds are disbursed. According to the US Embassy, a new standby agreement is a precondition for a World Bank structural adjustment loan, Paris Club debt rescheduling, and a consultative group meeting on increased bilateral aid flows. In addition, private international banks—some of whom have cut Tanzania's credit line by 50 percent—have indicated that they will not consider restoring them without an IMF agreement. [redacted]

Donor Pressure

Unlike in the past when Dar es Salaam could count on generous, unconditional foreign aid—\$838 million in 1980—Nyerere's recent pleas for increased assistance have been met with pressure from foreign

donors to adopt a tougher fiscal policy and come to terms with the IMF. Foreign aid in 1982 and 1983 fell to \$450 million, and it may decline to \$400 million in 1984, as many donors made good on their decision to decrease aid if Tanzania did not reach agreement with the IMF. The World Bank—formerly Tanzania's largest source of aid, providing some \$120 million annually—now limits itself to one or two projects a year that are immune to Tanzania's current economic policies and will not consider other projects until an IMF standby program is in place. [redacted]

Pressures From Within

According to Embassy reporting, Nyerere is subject to substantial pressure from his pragmatic economic experts and Cabinet members to come to terms with the IMF. At the same time, ideologues led by Minister of State for Economic Affairs Malima and supported by most party leaders have successfully opposed or diluted the policies advocated by these pragmatists. [redacted] the pragmatists—led by Finance Minister Msuya and supported by most of the country's leading economists and many military leaders—recently convinced Nyerere to support the Msuya-initiated reforms. In our view, the degree of discussion and controversy among government officials, the public, and parliament over the recent reforms was unprecedented, and we expect heightened tension between pragmatists and ideologues over future economic decisions as well as increased pressure on Nyerere for further reforms. [redacted]

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Smoldering Military Discontent

A More Powerful Senior Officer Corps

In our view, Tanzania's economic problems have become of such concern to senior officers that they have decided to become more politically involved. Nyerere's earlier decision to integrate senior officers into the party and government has already positioned the military to take a greater role in the decisionmaking process.

senior officers have used their positions and Nyerere's fear of military unrest to influence recent policy decisions. For example, after Prime Minister Sokoine's death in a car accident in April 1984, senior officers lobbied Nyerere to choose a new prime minister with proven abilities to deal with the country's economic problems—a factor we believe was critical to Nyerere's surprise decision to appoint Foreign Minister Salim to the post. We also believe that senior military officers probably helped convince Nyerere to agree to the recent economic reforms.

Nyerere, in an obvious attempt to shore up his standing with senior officers, said he would consult them on a successor to Chief of the Defense Forces Musuguri when the latter retires next year.

Despite their recent assertiveness, almost all senior officers, in our view, are hesitant to take on the task of governing Tanzania and continue to support Nyerere as the only person who can hold the country together.



Alienated Junior Officers

Although the senior officer ranks are relatively secure, lower-ranking officers with more to gain and less to lose may not be as hesitant to express their discontent. In our judgment, discontent in the barracks over economic conditions is once again at the

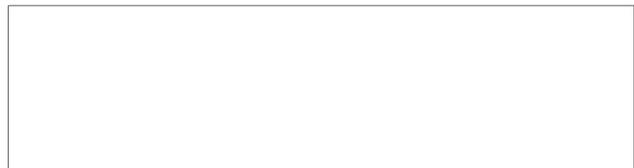
level that helped spur the January 1983 coup attempt.⁶



junior-level discontent is caused by the shortage of food and basic goods; increased taxes on beer, gasoline, soft drinks, and cigarettes; and the preferential treatment given to senior officers by the base commissaries. many in the junior ranks are unhappy because the shortages of necessities are aggravated by embezzlement and theft by senior officers. Although a few corrupt officers have been caught—including a Navy captain who sold diesel fuel from his ship—we believe that Nyerere has turned a blind eye to senior-level profiteering in the military.

Nyerere protected senior military personnel from former Prime Minister Sokoine's anticorruption campaign.

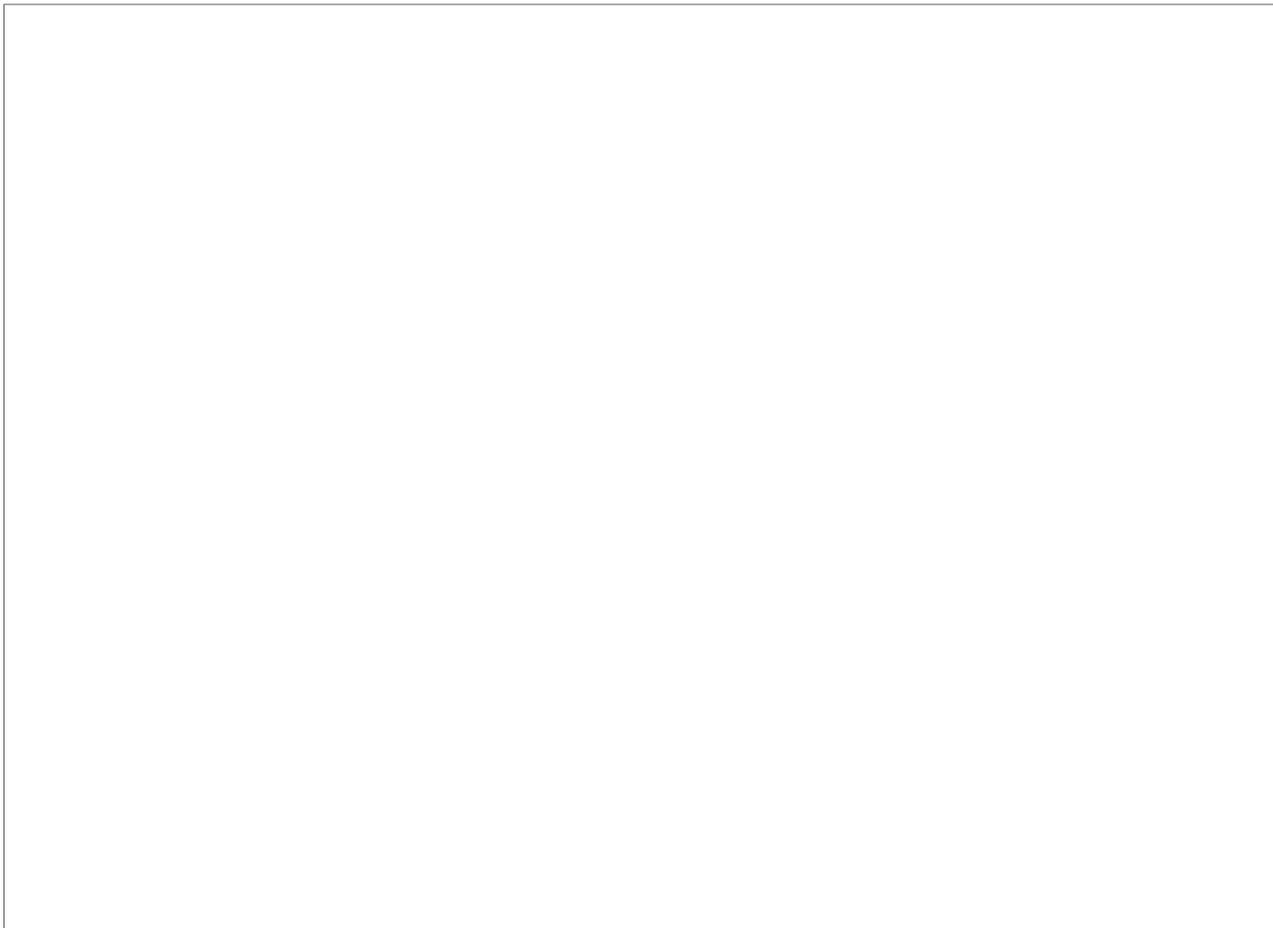
Although Nyerere may have recently attempted to appease lower-ranking military personnel when he ordered that scarce foreign exchange be used to buy new uniforms, we do not believe that Tanzania has the means to improve substantially the standard of living in the barracks. Nonetheless, although some coup plotting is likely, Nyerere's effective intelligence network probably would uncover a serious coup plot before it was implemented.



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Growing Political Discord

Questioning Party Supremacy

The issue of internal discord is not limited to the military. There are signs that Nyerere's formerly unquestioned authority over the *Chama Cha Mapinduzi* (Revolutionary Party) and the government is being challenged as moderates press for economic and political reforms that diverge from Nyerere's socialist agenda. [redacted] during the party congress in August, an anonymous document calling for the abolition of one-party rule and party supremacy was circulated among party leaders and the 1,700 delegates. The document, addressed to Nyerere, warned that popular sentiment favored a multiparty democratic approach and that, if one-party rule were not abolished, the resulting crisis would lead to a military takeover. In our view, the document probably was written by academics or a few party

delegates as yet unwilling to confront Nyerere directly. [redacted] almost all parliamentarians oppose the concept of party supremacy, and a few may sponsor a resolution that calls for the new Tanzanian Constitution, which significantly strengthens the role of the party vis-a-vis the government, to be debated in popular forums and presented to the people in the form of a national referendum. [redacted]

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[redacted] there are other issues that may spark a clash between Nyerere and party moderates. [redacted] for example, Nyerere did not let the

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⁷ Since 1982 Nyerere has been attempting to strengthen the role of the party vis-a-vis the government and thereby the authority of the party chairman in preparation for his stepping down from the presidency. The proposed Tanzanian constitution embodies many of the changes he has sought [redacted]

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Major General Kombe
Director General TISS

His experience as Chief of Staff and performance as Director General make him the leading candidate to replace General Musuguri as commander of the armed forces in 1985

Executive Committee or party congress discuss ratification of the new Constitution because he feared protracted debate on some of the amendments. some party delegates favor elections with two candidates, rather than the current one-candidate approach, and are advocating an amendment that would allow non-party-endorsed candidates to run as independents in the next parliamentary elections. another potential problem for Nyerere is a movement among some party members to oust Secretary General Kawawa—a longtime Nyerere loyalist and staunch socialist ideologue. Kawawa's illness has exacerbated party tensions and an internal struggle between ideologues and moderates for the secretary-generalship is likely should Nyerere decide to replace him.

Zanzibar: Endemic Separatism

Nyerere's domestic difficulties are compounded by continuing friction between Zanzibar and the mainland. Zanzibari resentment over Nyerere's attempts to maintain a one-party monopoly of power is at the

root of many of the political, economic, and cultural tensions that have existed ever since the Tanzanian Union was formed in 1964.

Zanzibari grievances focus on five key areas:

- The supremacy of Tanzania's only political party over all government affairs.
- Lack of consultations on important issues that affect Zanzibar.
- Unfair distribution of foreign aid, most of which goes to the mainland.
- Underrepresentation in Tanzania's diplomatic service and failure of Dar es Salaam to protect Zanzibar's interests abroad.
- Loss of autonomy in Zanzibar's financial institutions and trade policy.

Zanzibari-mainland differences reached an unprecedented high during 1983 as the ruling party's National Executive Committee thwarted an attempt by Zanzibari leaders to make fundamental changes to the Tanzanian Constitution that would have given Zanzibar more autonomy in essentially a federal system. the confrontation reached a climax in late December 1983, when Zanzibar Chief Minister Faki, speaking on behalf of the Zanzibari Government and probably with Zanzibari President Jumbe's approval, rejected the supremacy of the party over the government and state and presented other demands for continued Zanzibari participation in the Tanzanian Union. Nyerere dealt with the Zanzibari challenge by sending mainland troops to the island, forcing Jumbe and Faki to resign, and imprisoning several separatist leaders.

Mainland dominance of island affairs has increased significantly since Jumbe's ouster. Nyerere appointed Ali Hassan Mwinyi, a loyalist with no political base on the island, as Zanzibar's new President, and high government positions were awarded to the Zanzibaris

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Tanzanian Cabinet

<i>Julius Nyerere</i>	<i>President</i>
<i>Samuel Sitta</i>	<i>Minister of State</i>
<i>Mustafa Nyanganyi</i>	<i>Minister of State</i>
<i>Amir Jamal</i>	<i>Minister of State</i>
<i>Ali Hassan Mwinyi</i>	<i>Vice President of Tanzania</i>
	<i>President of Zanzibar</i>
<i>Salim Ahmed Salim</i>	<i>Prime Minister</i>
<i>Kingunge Mgombale Mwiru</i>	<i>Minister of State</i>
<i>Anna Makinda</i>	<i>Minister of State</i>
<i>Getrude Mwangola</i>	<i>Minister of State</i>
<i>Rashidi Kawawa</i>	<i>Minister Without Portfolio</i>
<i>John Machunda</i>	<i>Minister for Agriculture and Livestock</i>
<i>John Malecela</i>	<i>Minister for Communi- cations, Transport, and Works</i>
<i>Brigadier Muhiddin Kimario</i>	<i>Minister for Defense and National Service</i>
<i>Kighoma Malima</i>	<i>Minister for Economic Affairs</i>
<i>Jackson Makweta</i>	<i>Minister for Education</i>
<i>Cleopa Msuya</i>	<i>Minister for Finance</i>
<i>Benjamin Mkapa</i>	<i>Minister for Foreign Affairs</i>
<i>Aaron Kiduo</i>	<i>Minister for Health</i>
<i>Salimin Amour</i>	<i>Minister for Home Affairs</i>
<i>Basil Mramba</i>	<i>Minister for Industries and Trade</i>
<i>Joseph Warioba</i>	<i>Minister for Justice</i>
<i>Daudi Mwakawago</i>	<i>Minister for Labor and Manpower Development</i>
<i>Paul Bomani</i>	<i>Minister for Lands, Na- tional Resources, and Tourism</i>
<i>Al-Noor Kassum</i>	<i>Minister for Water, En- ergy, and Minerals</i>

on the Executive Committee who spearheaded the attacks against Jumbe. Zanzibar lost additional autonomy when the Executive Committee adopted an amendment that integrates Zanzibar's legal system with that of the mainland.

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Although Mwinyi has criticized the mainland on several occasions since taking office, we believe he remains loyal to Nyerere and is unlikely to precipitate a serious confrontation. Mwinyi, however, is likely to continue to advocate Zanzibari interests—if only to maintain his standing on the island—and this at times may bring him into conflict with Nyerere. Indeed, Nyerere's tolerance for Mwinyi's independent posturing is low:

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An undercurrent of opposition to party supremacy still exists among many high-level Zanzibari officials, and, in our view, a reemergence of strong anti-Union sentiment could be sparked by any of a number of events. [redacted] the concept of party supremacy and the National Executive Committee's appointment leverage over Zanzibar's Revolutionary Council—the island's principal policymaking body—is resented by most Revolutionary Council members, some of whom otherwise support the Union. [redacted] the Revolutionary Council approved a draft of the revised Zanzibari constitution, although it does not question party supremacy, contains some wording that Nyerere is likely to view as defiant and could precipitate further problems between Zanzibar and the mainland.⁹ [redacted]

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⁹ The concept of the union between Zanzibar and the mainland resides in the Tanzanian Constitution, but Zanzibar in accordance with its semiautonomous status has its own Constitution. Amendments to the Zanzibari Constitution, however, must be approved by the National Executive Committee. [redacted]

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Table 2
Chama Cha Mapinduzi Central Committee

Name	Religion ^a	Birth Place	Official Positions	
			Party	Government
Julius K. Nyerere	C	Butiama, Mara	Chairman	President
Ali Hassan Mwinyi	M	Zanzibar	Vice Chairman	Vice President/President of Zanzibar
Rashidi M. Kawawa	M	Songea, Ruvuma	Secretary General	Minister Without Portfolio
Ali Mzee Ali	M	Zanzibar	Regional Party Secretary, Pemba North	
Salimin Amour	M	Zanzibar	Head, Finance Administration Department	Minister for Home Affairs
Seif Shariff Hamad	M	Pema, Zanzibar	Head, Economic Affairs and Planning Department	Zanzibar Chief Minister
Getrude Mwangola	C	Ukerewe, Mwanza	Head, Social Welfare Department	Minister of State in Prime Minister's office (Cabinet member)
Hassan Nassor Moyo	M	Songea (raised in Zanzibar)		Zanzibar Minister of Agriculture
Cleopa Msuya	C	Pare, Kilimanjaro		Minister for Finance
Daudi Mwakawago	M	Iringa	Head, Political Propaganda and Mass Mobilization Department	Minister for Labor and Manpower Development
Abdallah Natepe	M	Mainland (raised in Zanzibar)		
Kingunge Mgombale Mwiru	C/A	Songea (raised in Zanzibar)	Head, Ideology, Political, Education, and Training Department	Minister of State, Prime Minister's office (Cabinet member)
Moses Nnauye	C/A	Nyangamara, Lindi	Head, Party Organization Department	
Salim Ahmed Salim	M	Pemba, Zanzibar	Head, Foreign Affairs Department	Prime Minister
Andres Shija	C	Shinyanga	Regional Party Secretary for Dar es Salaam	
Paul Andreas Sozigwa	C	Kisarawe, Pwani	Secretary Control and Discipline Commission	Press Secretary President
Alfred Tandau	C	Mbinga, Ruvuma		

^a C—Christian

M—Muslim

C/A—raised as Christian but is now a professed atheist.

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Outlook

Despite the difficult problems confronting Nyerere, we believe he will be able to maintain control over the government, party, and military at least through the next presidential elections scheduled for 1985. His leadership abilities, personal popularity, prestige as the country's father figure, and the lack of organized opposition are formidable advantages. Nonetheless, divisions in the party will continue to grow, resulting in heated debate on a variety of issues and further erosion of Nyerere's authority. Consequently, we believe Nyerere may be forced to rely increasingly on coercion to protect his socialist agenda. [redacted]

From the standpoint of the key issues facing Tanzania, we believe Nyerere is unlikely to agree to the economic reforms necessary for an IMF agreement because of his ideological rigidity and fear of urban unrest that could upset the country's delicate political balance. As a result, Tanzania's economic situation probably will not improve in the near term because increased agricultural production—the vital first step in reviving the economy—is unlikely without major institutional reforms and large infusions of external capital. Nyerere probably will continue to implement limited reform measures, such as cosmetic changes in the state enterprise system and possibly another small devaluation, in an effort to deflect criticism that the government is doing nothing to improve conditions. Nevertheless, we concur with Nyerere's judgment that strict austerity measures such as those recommended by the IMF are more likely to cause serious social unrest in the cities than a continuation of the current economic malaise. [redacted]

As far as the military is concerned, senior officers are likely to be dissatisfied with this piecemeal approach to economic reform, but we expect that Nyerere will continue to appease them with perquisites and a continuing voice in decisionmaking, particularly on matters that affect the military. In our view, although senior officers will continue to press Nyerere for further economic reform, a senior officer coup spurred by Nyerere's intransigence is unlikely. Coup plotting is more likely to originate in the disgruntled lower ranks of the military, but senior officer loyalty and an effective intelligence service militate against a successful coup. Moreover, we believe, that, if Nyerere's

pervasive network of informants in the military report serious discontent and coup rumors, Nyerere probably would temporarily reallocate scarce supplies from the cities to the barracks to restore calm as he did after the 1983 coup attempt. [redacted]

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On the issue of national unity, we believe that Nyerere will continue to have problems with Zanzibar because of the island's longstanding desires for greater economic and political autonomy. In response, we believe that Nyerere may accommodate some Zanzibari demands for more autonomy in trade and finance in an effort to improve the island's economy and reduce criticism of the mainland. If anti-Union sentiment on the islands reaches 1983 levels, however, we believe that Nyerere will not hesitate to further purge the island government or, if necessary, to again use mainland troops to control dissent. [redacted]

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As far as Nyerere's personal political aspirations are concerned, we believe that Nyerere has not yet decided to step down from the presidency, primarily because of doubts about whom to name as his successor and uncertainty that he can control the country from his post as party chairman. In our view, Nyerere is unlikely to accept nomination for another five-year term, but a decision to postpone the presidential elections—and thereby his decision—until the 1987 party elections is becoming increasingly likely. In either case, we would first expect to see an orchestrated campaign praising Nyerere as the only person capable of solving the country's problems and supporting his continuation as President [redacted]

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If Nyerere relinquishes the presidency and opts to control from his position as party chairman, we believe that whomever he appoints to succeed him will encounter widespread resistance within the party. The two front-runners—Mwinyi and Salim—are both Zanzibaris and are likely to meet strong opposition from some mainlanders should Nyerere begin to groom either one. In our view, if Nyerere believes he will have problems maintaining control, he probably would pick Mwinyi over Salim because, of the two,

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Mwinyi is more pliable and less likely to alter Nyerere's socialist policies. In our view, however, if Salim succeeds in building support among moderates in the party and military, he could become a viable candidate even without Nyerere's support. In this uncertain atmosphere a darkhorse candidate such as Minister of Communication and Works Malecela or a total unknown—as Mwinyi was before Nyerere elevated him to the vice-presidency—also become strong possibilities. [redacted]

In our view, no matter whether Nyerere steps down or remains as President, pressures for economic and political reform will increase significantly in 1985, and Nyerere's overall political prospects will become less certain. We believe, however, that a decision to leave the presidency carries the greater risk to Nyerere's continued mastery of Tanzania's political scene and eventually to Tanzania's stability. A decision to step down may spur opponents of Nyerere's socialist agenda to organize and directly confront Nyerere; malcontents in the military may see this as a time to make a move; and at a minimum Nyerere is likely to lose some of the day-to-day authority necessary to control government decisions. A decision by Nyerere to postpone the election or accept another five-year term carries with it many of the same risks, but we believe that Nyerere would be better able to meet these threats if he retained both his posts as president and party chairman. [redacted]

Alternate Scenarios

A Military Takeover

Although we believe that a military coup against Nyerere is unlikely, we do not rule it out entirely. Increased disaffection at lower levels of the military, in particular, raises the possibility that a military coup could occur with little warning. There is, however, no tradition of military intervention in politics and no political group that might provide a rallying point for military dissidents. In addition, the military and civilian intelligence services are on guard against incipient plots and are capable of quashing them, as they did in January 1983. The widespread belief that there are informants throughout the ranks also deters dissidence. Nonetheless, throughout Tanzania's 23 years of independence, the incidence of coup rumors

and plotting has risen dramatically in the 12 to 18 months preceding each national election, and we expect this to happen again. Given the economic and political situation, a military coup could have a number of precipitating circumstances. [redacted]

Intelligence Failure. Nyerere's intelligence network fails to uncover a coup plot among the junior ranks of the military in time, and the attempt succeeds. Alternatively, senior officers might uncover a coup plot or perceive one to be imminent among junior officers impelling them to preempt it with a coup of their own. [redacted]

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Antigovernment Demonstrations. Mistimed austerity measures or mounting separatism on Zanzibar would be the most likely immediate causes. Mass demonstrations could also be caused by a continued economic decline that led to serious food shortages in the cities and military commissaries. Junior officers and enlisted men hardest hit by such economic conditions would be likely to lead this type of coup. We can also envision a situation, however, in which the military leadership, called upon to put down antigovernment demonstrations or a mutiny by one of its own units, might decide instead to remove Nyerere. [redacted]

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Nyerere Loses Political Control. Nyerere's intransigence on economic and political reform leads some party and government leaders to band together to contest Nyerere's leadership and the legality of party supremacy. Nyerere's inability to crush such an opposition movement quickly probably would result in a protracted leadership struggle, which might lead senior military officers to assume power. [redacted]

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Nyerere's Death

Nyerere's early demise would greatly increase the risks of sparking serious unrest. In the unlikely event that medical problems force Nyerere—now in good health, according to US Embassy reporting—to relinquish power, or, if he is assassinated, we would expect

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an intense period of political maneuvering and increased military involvement in the government, primarily because of Nyerere's failure to groom a successor.¹⁰ We believe the possible successors to Nyerere in the event of his death differ somewhat from those Nyerere might choose in a personally orchestrated succession and include Prime Minister Salim; Minister of Communication and Works Malecela; Minister of Lands, National Resources, and Tourism Bomani; and Minister of Finance Msuya. Moreover, should the military become actively involved in the process, a military leader such as Major General Kombe or Minister of Defense Kimario could emerge as Tanzania's new president. [redacted]

A prolonged power struggle after Nyerere's death or the nomination of a candidate that did not have the military's support would significantly increase the prospects of a military takeover. Military leaders probably would reason that only they could hold the country together in the face of economic deterioration and the rising ethnic tensions that are likely after Nyerere's death. [redacted]

Implications for the United States

Notwithstanding Nyerere's political and economic pressures, we expect him to continue to challenge the United States publicly on a number of issues. Nyerere is a leading spokesman for the Nonaligned Movement and at times has been an acerbic critic of US policy in Africa. He still wields considerable influence in the region and [redacted] is under considerable pressure from many African states to run for the chairmanship of the OAU at the summit meeting scheduled for November 1984. He is also president of the Frontline States and in this position will continue to rail against any negotiations by black African states with South Africa and the linkage of Namibian independence to Cuban troop withdrawal from Angola. In addition, we believe he will continue to provide military bases for the African National Congress, the principal South African dissident group, and will encourage other African states to do the same. [redacted]

¹⁰ The Tanzanian Constitution provides for a vice president to serve as interim president, although a broad grouping of party members is required within 60 days to elect a new party leader who automatically becomes the sole presidential candidate in a popular referendum. [redacted]

Recently, Nyerere has attacked the suspension of US aid as politically motivated and has blamed the West for the dismal economic conditions of the region. Although these occasional outbursts are not unusual, increased use of the United States as a scapegoat for Tanzania's problems could cause relations to deteriorate, although we do not believe to the point of threatening US personnel or assets. At the same time, however, Nyerere has supported the United States on issues such as the condemnation of the Soviet invasion of Afghanistan and is publicly critical of Soviet influence in the region. [redacted]

Beyond that, however, the events we see unfolding in Tanzania over the next several years will have little impact on US interests. As long as Nyerere maintains control, we do not believe that Tanzania's internal problems will provide an opportunity for the Soviets to extend their influence substantially in the near future. Soviet activity in Tanzania is primarily in the form of military aid totaling only about \$400 million since 1954, although the two countries also have concluded a number of cultural and scientific agreements. In our view, the Soviets desire greater influence in Tanzania but, as evidenced by their refusal to include MIG-21 fighters and IL-76 transports in a recent military aid agreement, are not willing at this time to pay the high price necessary to increase substantially their presence. Moreover, it is unlikely, given Nyerere's deep suspicions of Soviet motives and intentions in Africa, that increased Soviet aid would translate easily into greater Soviet influence over Tanzanian policies so long as Nyerere remains on the scene. [redacted]

The overall thrust of the implications for the United States could of course change in the event of Nyerere's death or a military takeover. Although we would expect any new leadership, whether civilian or military, to feel a certain momentum toward continuing nonalignment and Tanzania's current positions on regional issues more dramatic, change cannot be ruled out. A new regime, for example, untethered by Nyerere's socialist mandate could begin the process of gradually dismantling some of Tanzania's socialist

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institutions and turn to the West for increased economic assistance. Dramatically different outcomes are also possible. In the event of a military coup by junior-grade officers, we cannot rule out a shift more to the left. At a minimum it is clear that the initial unrest that would surround a coup by junior officers would almost certainly attract Moscow's attention. This in turn would only increase the odds of injecting a greater East-West dimension into the Tanzanian scene.

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